

**SPECIAL CALLED CITY COUNCIL MEETING
November 21, 2017**

MINUTES OF THE SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD **NOVEMBER 21, 2017** AT 7:00 PM IN THE COUNCIL CHAMBERS, CITY HALL, 1200 SOUTH COMMERCE, OVERTON, TEXAS.

PRESENT:

C. R. Evans Jr., Mayor
John Posey, Mayor Pro Tem
Philip Cox
Jerry Clark
Lawrence Davis
Michael Paul Williams

ABSENT:

Also in attendance were Clyde Carter, Interim City Manager/Police Chief, Wendy Bates, City Comptroller, and Rachél Gafford, City Secretary representing staff.

I. **CALL TO ORDER** – Mayor Evans called the meeting to order at 7:02 pm

1. Invocation was given by ***Councilman Davis***.
2. Pledge of Allegiance was led by ***Councilman Williams***.

II. **CITIZEN FORUM** – No one spoke.

III. **BUSINESS**

1. Discuss and consider taking action regarding a Resolution of the City Council of the City of Overton, Texas moving the regular City Council Meeting from Thursday, December 21, 2017 to Thursday, December 14, 2017 at 7:00 p.m.

Mayor Evans presented the Resolution stating that Council had discussed this change at the November 16, 2017 meeting, the Resolution is being presented tonight to make the rescheduling of the Regular Called meeting for December official.

Mayor Pro Tem Posey made a motion to approve Resolution to move the Regular Called Council Meeting in December to Thursday, December 14, 2017 at 7 p.m.

Councilman Cox seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

2. Consider and / or take action on staff recommendation to close City Hall for a full day on Friday, December 22 to observe the Christmas Eve Holiday and a full day on Friday, December 29 to observe the New Year's Eve Holiday.

City Manager Carter presented the above request.

Councilman Cox made a motion to approve closing City Hall for a full day on December 22nd and December 29th to allow City Staff a full day off to observe both the Christmas Eve and New Year's Eve Holidays.

Mayor Pro Tem Posey seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

3. Consider and /or take action on staff recommendation to approve four (4) to eight (8) hours of Paid Time Off ("PTO") to be given to each full-time employee and two (2) to four (4) hours of PTO to each part-time employee who attends the Holiday Luncheon in lieu Christmas Bonus.

City Manager Carter presented the above request explaining that the City used to give each employee a \$25 gift card; however, it had been determined that the City could no longer continue this practice. Therefore, staff was recommending giving employee's PTO to cover the ½ day holidays that the City would be closed.

Councilman Clark made a motion to approve staff request to give the City Employees the extra PTO if they attended and participated in the Employees Holiday Luncheon.

Councilman Davis seconded the motion.

Mayor Evans called for discussion.

City Secretary Gafford mentioned that the motion was not specific to direct staff how much PTO would be approved for each employee.

Councilman Davis made an amending motion to give full-time employees 8 hours and part-time employees 4 hours of PTO to their PTO bank if they attended and participated in the Employees Holiday Luncheon.

Councilman Cox seconded the amended motion

Mayor Evans called for discussion, no additional discussion

Mayor Evans called for a vote on the amended motion.

Motion carried 5 – 0 – 0.

Mayor Evans then read the motion as amended below:

Motion to approve staff request to give full-time employees 8 hours and part-time employees 4 hours of PTO to their PTO bank if they attended and participated in the Employees Holiday Luncheon in lieu of a Christmas Bonus

Mayor Evans called for discussion, no additional discussion

Mayor Evans called for a vote on the original motion as amended.

Motion carried 5 – 0 – 0.

4. Discuss and consider taking action regarding a Resolution authorizing the City Manager to enter into a Service Agreement with Paul Everett as a Water / Wastewater Technical Support Consultant for a term of one year with a possibility of one-year renewals for up to three times.

City Manager Carter explained that TCEQ requires the City to employ a minimum of two (2) TCEQ "C" Groundwater Licensed Operators and one (1) Wastewater Licensed Operator. Since Paul Everett had turned in his resignation effective November 30, 2017, this would leave the City with only one (1) "C" licensed operator in Groundwater and the Service Agreement was needed to retain Paul's licenses until Dillon Roach and Joshua Stuart could obtain the required training and test for the licenses.

City Comptroller Bates stated that she wanted to call Council's attention to one change (compensation rate of \$20 per hour was changed to \$25 per hour) that had been made to the contract in the amount of compensation requested by Paul for the use of his license and for him to work the mandatory 16 hours per month for the use of his services as a Technical Consultant.

Councilman Cox made a motion to approve the Resolution authorizing the City Manager to enter into a Service Agreement with Paul Everett for \$25 per hour as a Technical Support Consultant for Wastewater and Water to retain his two "C" licenses until staff could obtain the required TCEQ licenses.

Councilman Clark seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

5. Discuss and consider taking action regarding a Resolution of the City Council of The City of Overton, Texas authorizing the Mayor to execute a contract (Contract No. 7217341) between the Texas Department of Agriculture and the City of Overton for the Community Development Fund.

City Comptroller Bates presented the contract.

Councilman Cox made a motion to approve the Resolution authorizing the Mayor to sign the contract with Texas Department of Agriculture for the CDBG Grant Contract No. 7217341.

Councilman Davis seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

IV. EXECUTIVE SESSION

1. Pursuant to TEXAS GOVERNMENT CODE, Section 551.074 (Public Officer; Closed Meeting) to discuss and consider the appointment of a qualified City resident to Overton City Council, Place 4 to fill unexpired term created by the resignation of Council Member Davis.

City Council retired to Executive Session at 7: 16 p.m.

V. RECONVENE INTO OPEN SESSION

City Council reconvened in open session at 7:23 p.m.

2. Consider and/or take action to accept letter of resignation from Councilman Lawrence Davis effective November 21, 2017 leaving Council Member Place #4 vacant.

Mayor Pro Tem Posey made a motion to accept Lawrence Davis' resignation as submitted.

Councilman Cox seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 4 – 0 – 1, Councilman Davis abstained.

1. Consider and / or take action resulting from deliberations in Executive Session pursuant the Texas Government Code, Section 551.074 (Public Officer; Closed Meeting) the appointment of a qualified City resident to Overton City Council, Place 4 to fill unexpired term created by resignation through the next General Election scheduled for November 2018.

Councilman Cox made a motion to appoint David Stone to City Council to fill the vacancy of Place #4.

Councilman Williams seconded the motion.

Mayor Evans called for discussion, no discussion

Mayor Evans called for a vote.

Motion carried 4 – 0 – 0.

3. *Mayor Evans administered the Statement of Elected Officer and the Oath of Office to newly appointed Council Member David Stone.*

VI. ADJOURNMENT

Mayor Pro Tem Posey made a motion to adjourn.

Councilman Clark seconded the motion.

Mayor Evans called for a vote.

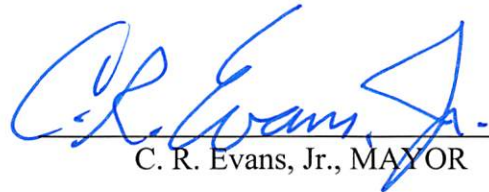
Motion carried 4 – 0 – 0.

With no further business, the meeting was adjourned at 7:28 PM.

Minutes submitted, approved and/or corrected this 14th day of December, 2017.



CITY OF OVERTON


C. R. Evans, Jr., MAYOR

ATTEST:


Rachel Gafford, CITY SECRETARY

Attachments:

- A. Res No. 2017-11-21A – Rescheduling December 2017 City Council Meeting
- B. Res. No. 2017-11-21B - Service Agreement with Paul Everett
- C. Res. No. 2017-11-21C - TDA Contract No. 7217341

ATTACHMENT A

City of Overton, TX

Resolution No. 2017-11-21A
Page 1

RESOLUTION NO. 2017-11-21A

A RESOLUTION OF THE CITY OF OVERTON, TEXAS, RESCHEDULING THE DECEMBER REGULAR CITY COUNCIL MEETING FROM THURSDAY, DECEMBER 21, 2017 TO THURSDAY, DECEMBER 14, 2017.

WHEREAS, pursuant Texas Local Government Code Section 22.038 Meetings; the governing body of the municipality shall meet at the time and place determined by a resolution adopted by the governing body; and

WHEREAS, the December 21, 2017, Regular Called City Council meeting date falls during the week of holiday vacation for many Council members; and

WHEREAS, Staff and Council have expressed a desire to change the regular called meeting date for the month of December 2017.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Overton, Texas that the December 2017 Regular Called City Council meeting shall be changed from Thursday, December 21, 2017, to Thursday, December 14, 2017 at 7:00 p.m. in the Council Chambers located at City Hall, 1200 S. Commerce St.

DULY APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS 21st DAY OF NOVEMBER, 2017.


C. R. Evans Jr., MAYOR

ATTEST


Rachel Gafford, CITY SECRETARY



APPROVED AS TO FORM AND LEGALITY


Blake Thompson, CITY ATTORNEY

ATTACHMENT B

City of Overton, TX

Resolution No. 2017-11-21B
Page 1 of 6

City of Overton, TX

Resolution No. 2017-11-21B
Page 2 of 6

RESOLUTION NO. 2017-11-21B

A RESOLUTION OF THE OVERTON CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A GENERAL SERVICES AGREEMENT WITH THE PAUL EVERETT TO PROVIDE CONSULTING AND BACKUP SERVICES FOR WATER AND WASTEWATER TO THE CITY OF OVERTON; PROVIDING FOR AN EFFECTIVE DATE AND AN EXPIRATION DATE OF SAID AGREEMENT.

WHEREAS, for compliance with our Ground Water Permit the Texas Commission on Environmental Quality (hereinafter referred to as the "TCEQ") requires that the City of Overton employ a minimum of two (2) Class C Ground Water Treatment Operators; and

WHEREAS, for compliance with our Wastewater Permit the TCEQ requires that the City of Overton employ a minimum of one (1) Class C Wastewater Treatment Operator; and

WHEREAS, as of November 30, 2017 the City of Overton will no longer have a Class C Wastewater Treatment Operator on staff and will only have one (1) staff member who has a Class C Ground Water Operator license; and

WHEREAS, City Manager recommends to City Council to enter into a Service Agreement with a contractor that has a TCEQ Class C Wastewater Treatment Operator license and a Class C Ground Water Treatment Operator license for compliance with the TCEQ state requirements; and

WHEREAS, the City Council of the City of Overton and Paul Everett have agreed to the terms and conditions by which he will provide consulting and back up services for water and wastewater to the City of Overton as a Class C Wastewater Treatment Operator and a Class C Ground Water Treatment Operator for a minimum of five (5) hours per week (as required by the TCEQ).

NOW, THEREFORE, BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, THAT:

SECTION 1. That City Council hereby approves the Consulting and Back Up Services Agreement for Water/Wastewater Operator between the City of Overton and Paul Everett, as Class C Wastewater Treatment Operator and a Class C Ground Water Treatment Operator, in substantially the form attached hereto as Attachment A; and

SECTION 2. That City Council hereby authorizes the City Manager to execute the same on behalf of the City of Overton with the approval of the City Attorney.

SECTION 3. That this Resolution shall become effective December 1, 2017 after having been executed by all parties with an expiration date of November 30, 2018 with a clause for renewal for up to three one-year terms if needed.

DULY APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS 21TH DAY OF NOVEMBER, 2017.



CITY OF OVERTON, TEXAS

C.R. Evans Jr.
C.R. Evans Jr., MAYOR

ATTEST:

Rachel Gifford
Rachel Gifford, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY

Blake Thompson
Blake Thompson, CITY ATTORNEY

CITY OF OVERTON
RUSK COUNTY
STATE OF TEXAS

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SERVICE AGREEMENT

CITY OF OVERTON AND PAUL EVERETT

This Agreement, made and entered into this 1st day of December, 2017, by and between the City of Overton, Texas ("CITY") and Paul Everett ("BUSINESS") is understood and agreed to be as set forth herein:

1. Description of Services: BUSINESS shall provide the following types of services to the CITY as follows:

- (a) Consulting and Back Up Services:
 - a. Water System
 - i. Operation and maintenance of CITY'S water system including source of supply, pumping, treatment, storage and distribution; and
 - ii. Ensuring the efficiency and reliability of provision of water to the citizens of the CITY; and
 - iii. Compliance with rules and regulations with respect to operation of water storage, treatment and distribution activities; and
 - iv. Provide technical assistance in establishing and maintaining settings on mechanisms that control all aspects of water supply operations.
 - b. Wastewater System
 - i. Operation and maintenance of CITY'S wastewater collection system, pump stations, wastewater treatment plant equipment and machinery; and
 - ii. Wastewater treatment processes and controls including monitoring and inspections; and
 - iii. Compliance with rules and regulations with respect to operation of wastewater collection, treatment and disposal activities; and
 - iv. Provide technical assistance in establishing and maintaining settings on control mechanisms for the collection, treatment and disposal process for wastewater.
 - c. General Technical Support for Both Systems
 - i. Assist CITY in addressing any issues related to control over the two utility systems as exercised by the Texas Commission on Environmental Quality; and
 - ii. Provide technical assistance in working with engineers on design of improvements to related infrastructure and construction of such improvements; and
 - iii. Advise utility maintenance personnel on most productive and compliant techniques for handling major incidences of system failures as they may

occur; and

iv. Assist in emergency situations to ensure continuous operation of both utility systems. Provides technical assistance in working with engineers on design of improvements to related infrastructure and construction of such improvements.

d. Copy of licenses are included in this contract as Exhibit A – Class C Ground Water Operator and Exhibit B – Class C Wastewater Treatment Operator.

(b) BUSINESS shall perform all acts and procedures necessary in accordance with standard practices to perform and complete these tasks. CITY may authorize additional tasks and/or work assignments if and when necessary.

2. Payment for Services: The fee structure will include:

(a) **Office/Work Hours** — BUSINESS shall observe regular office hours, Monday through Friday from 8:00 a.m. to 5:00 p.m., unless authorized otherwise by the City Manager. Upon direction by the CITY, hours and scheduling may be adjusted as needed to comport with the task to be performed and to conform to the CITY's holiday schedule.

(b) **Invoices:** BUSINESS shall invoice CITY monthly for hours worked at the hourly rate of \$25.00/hour and shall include a description of the work performed. An alternate invoice submittal time frame can be authorized by the City Manager. The CITY shall render payment to BUSINESS within thirty (30) days of receipt of BUSINESS' invoice.

- a. Per TCEQ requirements, BUSINESS will need to visit site(s) once per day five out of the seven days of each week and will be compensated one hour per day.
- b. If BUSINESS will need to work more than one hour per day, he will be compensated for time work if approved by City Manager or his designee in advance.

3. Duration: This Agreement shall commence upon execution by all Parties and shall be in effect until September 30th of the fiscal year agreement was signed. This agreement shall automatically renew for successive one-year periods unless terminated as provided below.

4. Termination: Either party may terminate this Agreement by a thirty (30) day written notice to the other party.

5. Relationship of Parties: It is understood by the parties that BUSINESS is an independent contractor with respect to the CITY and not an employee of the CITY. CITY will not provide fringe benefits, including health insurance benefits, paid vacation, or any employee benefit including worker's compensation insurance, for the benefit of BUSINESS. As an independent contractor, BUSINESS shall maintain a separate place of BUSINESS, from which BUSINESS can provide services to other customers unrelated to the CITY. BUSINESS shall provide the tools and equipment necessary for completion of the tasks

covered by this Agreement. BUSINESS will provide supplies and materials if not furnished by the CITY.

- 6. **Employees:** Employees of BUSINESS, if any, who perform services for CITY under this Agreement shall also be bound by the provisions of this Agreement. BUSINESS shall provide adequate evidence that such persons are BUSINESS employees. BUSINESS employees shall not have any individual, private right of action against the CITY.
- 7. **Injuries/Insurance:** BUSINESS waives the rights to recovery from CITY for any injuries that BUSINESS and/or BUSINESS employees may sustain while performing services under this Agreement.
- 8. **Indemnification:** BUSINESS agrees to indemnify, save and hold CITY harmless from any and all claims for damages, losses, expenses, fees, including attorney's fees, costs and judgments that may be asserted against the CITY that result from acts or omissions of BUSINESS, its employees, if any, agents or contractors.
- 9. **Assignment:** BUSINESS' obligation under this Agreement may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of CITY.
- 10. **Notice:** All notice required or permitted under this Agreement shall be in writing and shall be delivered either in person or deposited in the United States mail, postage prepaid, addressed as follows:

For CITY:
 City Manager
 City of Overton
 1200 S. Commerce Street
 Overton, TX 75684

For BUSINESS:
Paul Everett
24631 CR 374
Gladewater, TX 75647

Either party may change such address from time to time by providing written notice to the other in the manner set forth above. Notice is deemed to have been received three (3) days after deposit in the U.S. mail.

- 11. **Entire Agreement:** This Agreement contains the entire Agreement of the parties. There are no other promises or conditions in any other Agreement either oral or written. This Agreement supersedes any prior written agreements between the parties.
- 12. **Amendment:** This agreement may be modified or amended in writing signed by both parties.
- 13. **Severability:** If for any reason any clause, sentence, paragraph, section or part of this Agreement is held invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not affect any valid provisions of this Agreement.

14. **Waiver of Contractual Right:** The failure of any party to enforce any provision of this Agreement shall not be construed as a waiver of limitation to that party's right to subsequently enforce and compel strict compliance with every provision of the Agreement.

15. **Applicable Law:** The laws of the State of Texas shall govern this Agreement. Venue for any disputes arising under this Agreement shall be in Rusk County, Texas.

IN WITNESS WHEREOF, executed on this 30th day of November, 2017.

City of Overton:

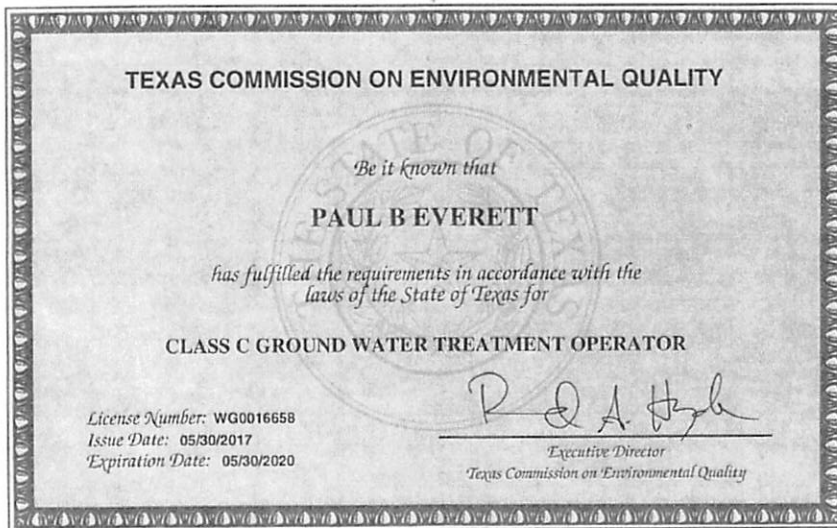
Paul Everett:


 Clyde Carter, Interim City Manager


Paul Everett

Exhibit A

Exhibit B



ATTACHMENT C

City of Overton, Texas

Resolution No. 2017-11-21C
Page 1 of 1

RESOLUTION NO: 2017-11-21C

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT (CONTRACT NO. 7217341) BETWEEN TEXAS DEPARTMENT OF AGRICULTURE AND THE CITY OF OVERTON FOR THE COMMUNITY DEVELOPMENT FUND (COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM).

WHEREAS, the City of Overton (hereinafter shall be referred to as "Contractor") desires to implement the following: street and water improvements under the general direction of the Texas Community Development Block Grant (hereinafter referred to as the "TXCDBG") Program administered by the Texas Department of Agriculture (hereinafter referred to as the "Department"); and

WHEREAS, the Contractor desires to engage in an agreement with the Department in connection with TXCDBG Project, Contract Number: 7217341.

NOW, THEREFORE, the City Council of the City of Overton hereby authorizes the Mayor to sign on behalf of the City and agree to the terms as outlined in the Contract (Attachment A).

PRESENTED AND APPROVED FOR ADOPTION AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS THE 21st DAY OF November, 2017.



CITY OF OVERTON

C. R. Evans, Jr.
C. R. Evans, Jr., MAYOR

APPROVED AS TO FORM AND LEGALITY:

Richard Gafford
Richard Gafford, CITY SECRETARY

Blake Thompson
Blake Thompson, CITY ATTORNEY

ATTACHMENT A AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF AGRICULTURE AND THE CITY OF OVERTON CONTRACT NO. 7217341 FOR THE COMMUNITY DEVELOPMENT FUND

SECTION 1. PARTIES TO CONTRACT

This contract and agreement is made and entered into by and between the Texas Department of Agriculture (herein referred to as the "Department"), an agency of the State of Texas, and the City of Overton (herein referred to as "Contractor"). The parties to this contract agree to the mutual obligations and performance of the tasks described herein.

SECTION 2. CONTRACT PERIOD

This contract and agreement shall commence on December 1, 2017, and shall terminate on November 30, 2019, unless otherwise specifically provided by the terms of this contract.

SECTION 3. PURPOSE

The Department has been designated as the state agency to administer, and the United States Government has awarded the Department funds for, the Texas Community Development Block Grant ("TXCDBG") Program under Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq.), herein referred to as the "HCD Act." Contractor has submitted, and the Department has approved, Contractor's application for a TXCDBG award to undertake eligible community and/or economic development activities in a non-entitlement area (herein referred to as the "Application"). This contract sets forth the obligations of the parties along with the terms and conditions under which the Department will provide funds to Contractor.

SECTION 4. CONTRACTOR PERFORMANCE

A. Contractor shall conduct the activities approved under this award in a manner satisfactory to the Department and consistent with any standards required as a condition of providing these funds. The authorized use of TXCDBG funds is premised upon, and conditioned on, Contractor fulfilling a CDBG national objective as a result of the TXCDBG-assisted activities. Contractor shall perform all activities in accordance with the terms of the Performance Statement (Exhibit A); Budget (Exhibit B); Project Implementation Schedule (Exhibit C); Special Conditions (Exhibit D); Applicable Laws and Regulations (Exhibit E); Certifications (Exhibit F); and with all other terms, provisions, and requirements set forth in this contract. The Application, in addition to any certifications, assurances, information and documentation required to meet award conditions, are hereby incorporated into this contract.

B. Contractor shall ensure that the national program objective identified in the Performance Statement has been met and that the persons expected to benefit from the activities performed under this contract are receiving such benefit before submitting the Project Completion Report to the Department. If Contractor fails to meet a national program objective, Contractor must repay to the Department any associated disallowed costs as specified by the Department.

C. Contractor shall adhere to the Project Implementation Schedule timelines for key project activities. As described in the TXCDBG Project Implementation Manual and policy directives, the Department may require Contractor to submit written justification and take remedial action for any contract activity that is not completed by the date specified on the Project Implementation Schedule.

SECTION 5. DEPARTMENT OBLIGATIONS

A. Payment for Allowable Costs. In consideration of full and satisfactory performance of the activities referred to in Section 4 of this contract, the Department shall be liable for actual and reasonable costs incurred by Contractor during the contract period subject to the limitations set forth in this Section.

1. The parties agree that the Department's obligations under this contract are contingent upon the actual receipt of adequate state or federal funds to meet the Department's liabilities under this contract. If adequate funds are not available to make payments under this contract, the Department shall notify Contractor in writing within a reasonable time after such fact is determined. In such event, the Department shall terminate this contract and will not be liable for failure to make payments to Contractor under this contract.

2. The Department shall not be liable to Contractor for any costs incurred by Contractor which are not allowable costs, as set forth in Section 7 of this contract. Expenses paid by or financed from other funding sources are not allowable costs under this contract.

3. The Department shall not be liable to Contractor for any costs incurred by Contractor or for any performances rendered by Contractor which are not in accordance with the terms of this contract.

4. The Department shall not be liable for costs incurred or performances rendered by Contractor before commencement of this contract or after termination of this contract. The Department may reimburse allowable administrative and engineering costs incurred by Contractor prior to this contract's execution date, if prior to the award Contractor requested and received written approval from the Department, and Contractor complied with all requirements for the release of such funds.

5. The Department shall not be liable to Contractor for any costs incurred by Contractor in the performance of this contract which have not been submitted to the Department by Contractor within 60 days following termination of this contract, with the exception of administrative costs for preparation of a Single Audit. Administration funds reserved on the Certificate of Expenditures for audit costs and eligible for reimbursement shall be billed to the Department within nine (9) months after the end of Contractor's fiscal year that follows the termination date of this contract. The Department shall deobligate all funds not requested under this paragraph.

B. Excess Payments. Contractor shall refund to the Department any sum of money which has been paid to Contractor by the Department which the Department determines has resulted in overpayment to Contractor, or which the Department determines has not been spent by Contractor in accordance with the terms of this contract. Such refund shall be made by Contractor to the Department within 30 calendar days after such refund is requested by the Department.

C. Limit of Liability. Notwithstanding any other provision of this contract, it is expressly agreed and understood that the total amount to be paid by the Department to Contractor for allowable expenses incurred under this contract shall not exceed Two Hundred Seventy-five Thousand and No/100 Dollars (\$275,000).

SECTION 6. GENERAL CONDITIONS

A. General Compliance. Contractor agrees to comply with the requirements of Title 24 of the Code of Federal Regulations (CFR) Part 570, Subpart 1 (the U.S. Housing and Urban Development (HUD) regulations concerning the state CDBG program). Contractor also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies as now in effect and as may be amended from time to time, including those specified in the Applicable Laws and Regulations attached to this contract. Contractor further agrees to utilize funds available under this contract to supplement rather than supplant funds otherwise available.

B. Independent Contractor. Nothing contained in this contract is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties to this contract. Contractor shall at all times remain an "independent contractor" with respect to the services to be performed under this contract.

C. Indemnification. Contractor agrees, to the extent allowed by law, to hold harmless, defend and indemnify the Department from any and all claims, actions, suits, charges and judgments whatsoever that arise out of Contractor's performance or nonperformance of the activities, services or subject matter called for in this contract.

D. Department Recognition

1. Public buildings, facilities, and centers, including infrastructure visible to the general public, constructed with funds provided under this contract shall have permanent signage placed in a prominent visible public area with the wording provided below.

2. Other construction projects, e.g., water transmission lines, sewer collection lines, drainage, roadways, housing rehabilitation, etc., utilizing funds provided under this contract shall have temporary signage erected in a prominent location at the construction project site or along a major thoroughfare within the locality as directed by the owner.

3. **Wordings, Size and Formatting.** The signage must be legible from a distance of at least three feet and comply with the wording, size and formatting requirements set forth in the TxCDBG Project Implementation Manual.

E. Changes and Amendments

1. Except as specifically provided otherwise in this contract or the TxCDBG Project Implementation Manual, any alterations, additions, or deletions to the terms of this contract shall be by amendment in writing and executed by both parties to this contract. Such amendments shall not invalidate this contract, nor release the Department or Contractor from its obligations under this contract, except as specifically set out therein.

2. A request for an extension must be supported by documentation of extenuating circumstances beyond Contractor's control which prevented completion of the project within the contract period.

3. A request to extend the contract period should be submitted in writing to the Department as soon as a delay is foreseen. Contract extension requests must be submitted to the Department approximately 60 days but no later than 30 days prior to the expiration of the contract and include a revised implementation schedule showing when major milestones will be completed for each activity. A request for an exception to the requirements specified in this paragraph will be evaluated in accordance with the applicable section of the TxCDBG Project Implementation Manual.

4. It is understood and agreed by the parties that performances under this contract must be rendered in accordance with the HCD Act, the policies, procedures and regulations of the Department, assurances and certifications made to the Department by Contractor and assurances and certifications made to HUD by the State of Texas with regard to the operation of the TxCDBG Program. Based on these considerations, and in order to ensure the legal and effective performance of this contract by both parties, it is agreed by the parties that performance is subject to and governed by the provisions of the TxCDBG Project Implementation Manual and any amendments thereto. Further, the Department may from time to time during the period of performance of this contract issue policy directives which serve to establish, interpret, or clarify performance requirements under this contract. Such policy directives shall be promulgated by the Department in the form of TxCDBG issuances, shall have the effect of qualifying the terms of this contract and shall be binding upon the Contractor, as if written herein, provided, however, that the policy directives and any amendments to the TxCDBG Project Implementation Manual shall not alter the terms of this contract so as to release the Department from any obligation specified in Section 5 of this contract to reimburse costs incurred by the Contractor prior to the effective date of such amendments or policy directives.

5. Any alterations, additions, or deletions to the terms of this contract which are required by changes in Federal or State laws or regulations are automatically incorporated into this contract without written amendment and shall become effective on the date designated by such law or regulation.

F. Remedies for Noncompliance. The Department may take one or more corrective or remedial actions as specified in this contract and 2 CFR 200.336, "Remedies for Noncompliance."

1. Suspension or Termination

- a. The Department may suspend or terminate this contract, in whole or in part, if Contractor materially fails to comply with any term of this contract, including but not limited to:
 - (1) Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
 - (2) Failure, for any reason, of Contractor to fulfill its obligations under this contract within the timeframes and manner as specified by the Department;
 - (3) Failure to complete activities in accordance with the Project Implementation Schedule;
 - (4) Failure to submit to the Department, within the timeframes and manner as specified by the Department, any report required by this contract;
 - (5) Submission of reports to the Department that are incorrect or incomplete in any material respect; or
 - (6) Misuse or improper use of funds provided under this contract.
- b. Knowingly making false statements or providing false information on a grant application, certification, or report submitted to the Department is grounds for termination of the contract award.
- c. The contract may also be terminated for convenience, in whole or in part, only as follows:
 - (1) by the Department with the consent of Contractor in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated; or
 - (2) by Contractor upon written notification to the Department, setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, in the case of a partial termination, the Department determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the Department may terminate the award in its entirety.

d. Upon termination or receipt of notice to terminate, whichever occurs first, Contractor shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts related to the performance of this contract or the portion of this contract to be terminated, as applicable, and shall cease to incur costs thereunder. The Department shall not be liable to Contractor for costs incurred after termination of this contract.

e. Notwithstanding any exercise by the Department of its right of suspension or termination as provided in this Section, Contractor shall not be relieved of any liability to the Department for damages due to the Department by virtue of any breach of this contract by Contractor. The Department may withhold payments to Contractor until such time as the exact amount of damages due to the Department from Contractor is agreed upon or is otherwise determined.

2. If Contractor materially fails to comply with any term of the award, whether stated in a federal or state statute or regulation, an assurance, in a state plan or application, a notice of award, or elsewhere, the Department,

until it is satisfied that there is no longer any such failure to comply, will take one or more of the following actions, or impose other sanctions, as appropriate in the circumstances:

- a. Terminate payments to Contractor under this contract;
 - b. Temporarily withhold payments pending correction of the deficiency by Contractor;
 - c. Reduce the grant award or disallow all or part of the cost of the activity or action not in compliance;
 - d. Wholly or partly suspend or terminate the current award;
 - e. Withhold further awards for the program; or
 - f. Take other remedies that may be legally available.
3. **Reduction of Payments.** In addition to, or in lieu of, any other right or remedy specified in this contract, as determined by the Department, in its sole discretion, violations or breaches by the Contractor of certain contractual and TxCDBG program requirements will result in the reduction of Administration funds awarded under this contract in accordance with the Administrative Penalty Matrix set out in the TxCDBG Project Implementation Manual.
4. **Withholding of Payments.** In addition to any other remedy specified in this contract, if Contractor fails to submit to the Department in a timely and satisfactory manner any report required by this contract, the Department shall, at its sole option and in its sole discretion, withhold any or all payments otherwise due or requested by Contractor. If the Department withholds such payments, it shall notify Contractor in writing of its decision and the reasons therefor. Payments withheld pursuant to this section may be held by the Department until such time as the delinquent obligations for which funds are withheld are fulfilled by Contractor.

5. Ineligibility Period

- a. **Delinquent audit.** If Contractor fails to comply with the single audit requirements specified in this contract and fails to submit an acceptable audit report within 90 days after the receipt of notice by the Department that the audit is past due, Contractor shall be ineligible to receive other TxCDBG grant funding opportunities for a period of one year after the 90-day period.
- b. **Delinquent debt.** If the Department requests or requires Contractor to repay funds to the Department as a result of Contractor's noncompliance with contractual or TxCDBG program requirements and Contractor fails to repay the funds by such date as specified by the Department, Contractor shall be ineligible to receive any future TxCDBG grant funding until Contractor has repaid the entire obligation to the Department.

6. **Opportunity to cure.** The Department shall give Contractor an opportunity to cure a breach of contract as follows:

- a. Department shall provide written notice to Contractor, detailing all elements of the breach or noncompliance.
- b. Contractor must commence cure within 30 days of the Department's notice.
- c. Contractor must notify the Department in writing within 30 days that cure has begun and provide detailed explanation of the steps being made to cure the breach or noncompliance.
- d. Contractor must complete the cure within 90 days of the Department's notice.
- e. Failure to commence cure within 30 days, or failure to complete cure within 90 days, will result in the Department's right to immediately terminate this contract or take other remedial action that may be legally available.

SECTION 7. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Uniform Administrative Requirements and Accounting Standards. Except as specifically modified by law or the provisions of this contract, the Contractor shall comply with applicable uniform requirements in 2 CFR Part

200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," as described in 24 CFR 570.502, and, to the extent applicable, the standards promulgated by the Office of the Comptroller under the Uniform Grant and Contract Management Act (Tex. Gov't. Code Chapter 783, referred to as "UGCMS"). Contractor agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. **Cost Principles.** The allowability of costs incurred for performances rendered under this contract shall be determined in accordance with 2 CFR Part 200 subpart E, "Cost Principles," UGCMS, and this contract.

B. Documentation and Record Keeping

1. **Records to be Maintained.** Contractor shall maintain all records required by the Federal regulations specified in 24 CFR 570.490 that are pertinent to the activities to be funded under this contract. Such records shall include but are not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with TxCDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program (Such records must include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the funds provided under this contract);
- f. Financial records, including but not limited to source documentation; invoices; records pertaining to obligations, expenditures, and drawdowns;
- g. Records documenting compliance with labor standards and environmental review; and
- h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Audits & Inspections/Access to Records

- a. Contractor shall give HUD, the Inspector General, the General Accounting Office, the Auditor of the State of Texas, an authorized office or agency of the State of Texas, and the Department, or any of their representatives or successors, access to all books, accounts, records, reports, files, and other papers or property pertaining to the administration, receipt and use of TxCDBG funds as may be necessary to facilitate review and audit of the Contractor's administration and use of TxCDBG funds received under this contract. Such rights to access shall continue as long as the records are retained by Contractor. Contractor agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with the Texas Public Information Act (Tex. Gov't. Code, Chapter 552). Contractor shall include the substance of this clause concerning the authority to audit funds and the requirement to cooperate in all subcontracts it awards.
- b. Any deficiencies noted in audit reports must be fully cleared by Contractor within 30 days after receipt by Contractor. Failure of Contractor to comply with the audit requirements will constitute a violation of this contract and will result in Contractor's ineligibility to receive other TxCDBG funding opportunities for a period of one year as provided in Section 6 of this contract.
- c. Contractor understands and agrees that it shall be liable to the Department for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this contract. Contractor further understands and agrees that reimbursement to the Department of such disallowed costs shall be paid by Contractor from funds which were not provided or otherwise made available to Contractor under this contract.

3. **Records Retention.** Contractor shall retain all financial and programmatic records, supporting documents, statistical records, and all other records required to be maintained in accordance with 24 CFR 570.490, 2 CFR 200.333, and this contract for the **greater** of: (i) three years after close-out of the grant from HUD to the State of Texas (not the closeout of this contract); (ii) the period required by other applicable laws and regulations described in 24 CFR 570.487 and 570.488; or (iii) other record retention obligations specific to Contractor's contract or project. Contractor may be required to meet record retention requirements greater than those specified in this Section until audit issues are resolved to the Department's satisfaction and all other pending matters are closed. The Department posts a list on its website of contracts that HUD has closed out with the State of Texas. These contracts are listed by closed Program Year, updated once a year or as needed. In the event Contractor has a question regarding the record retention requirements under this contract, it should contact the Department. Contractor shall include the substance of this clause in all subcontracts it awards.

4. **Close-outs.** Contractor's obligation to the Department shall not end until all close-out requirements are completed. Activities during this close-out period shall include but are not limited to: making final payments, disposing of program assets (including the return of all unspent funds, program income balances, and accounts receivable to the Department), and determining the custodianship of records. Contractor shall submit all required close-out reports to the Department, in a format prescribed by the Department, no later than 60 days after the contract termination date or at the conclusion of all contract activities as determined by the Department. Notwithstanding the foregoing, the terms of this contract shall remain in effect during any period that Contractor has control over TxCDBG funds, including program income.

C. Reporting and Payment Procedures

1. **Program Income.** In the same manner as required for all other funds under this contract, Contractor shall maintain records of the receipt, accrual, and disposition of all program income (as defined at 24 CFR 570.489(e)) generated by activities carried out with TxCDBG funds made available under this contract. The use of program income by Contractor shall comply with the requirements set forth at 24 CFR 570.489(e). Contractor shall use such income during the contract period for activities permitted under this contract prior to requesting additional funds from the Department. Contractor shall provide reports of program income to the Department with each payment request form submitted by Contractor in accordance with the payment procedures described herein, and at the termination of this contract. All unexpended program income shall be returned to the Department at the end of the contract period, unless otherwise specifically provided within this contract.

2. Payment Procedures

- a. The Department shall pay Contractor based upon information submitted by Contractor, consistent with the approved budget and Department policy concerning payments. Payments shall be made for allowable costs actually incurred by Contractor, not to exceed actual, properly documented, cash expenditures. Payments will be adjusted by the Department in accordance with program income balances available in Contractor accounts.
- b. The Department shall not be liable to Contractor for any costs incurred by Contractor under this contract until Contractor submits to the Department a properly completed Form A202, Depository/Authorized Signatories Designation Form, found in Chapter 2 of the TxCDBG Project Implementation Manual.
- c. Contractor shall submit to the Department at its offices in Austin, Texas, a properly completed Request for Payment form as specified by the Department. Contractor should submit a request for payment under each budget line item, or a written justification for the delay in drawdown of funds, at least annually or as directed by the Department. Drawdowns for the payment of eligible expenses shall be made against the line item budgets specified in the Budget and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in the Budget and in accordance with performance. The Department shall determine the reasonableness of each amount requested and shall not make disbursement of any such payment until the Department has reviewed and approved such Request.

d. Notwithstanding the provisions of clauses C.2.a to C.2.c of this Section, it is expressly understood and agreed by the parties to this contract that payments under this contract are contingent upon Contractor's full and satisfactory performance of its obligations under this contract.

3. **Progress Reports.** Contractor shall submit regular Progress Reports to the Department in the form, content, and frequency as required by the Department. Contractor shall comply with all reporting and submission requirements of the Federal Funding Accountability and Transparency Act (Public Law 109-282, as amended by section 6202 of Public Law 110-252), as well as the reporting and submission requirements of HUD as prescribed by the Department.

D. **Procurement.** Unless specified otherwise within this contract, Contractor shall procure all materials, property, and services in accordance with: (1) current Department policy concerning procurements, (2) the procurement standards in 2 CFR Part 200 Subpart D, and (3) Chapter 252 or 262 of the Texas Local Government Code, as applicable. Contractor shall ensure that all purchase orders and contracts include all applicable references to statutes, implementing regulations and executive orders. In addition, Contractor shall maintain records of all materials, property, and services as may be procured with funds provided herein.

E. **Use and Reversion of Assets.** The use and disposition of real property and equipment acquired or improved in whole or in part using TXCDBG funds shall be in compliance with the requirements of 2 CFR 200.311 and 200.313, and 24 CFR 570.489(i).

SECTION 8. PERFORMANCE MONITORING

A. The Department shall monitor the performance of Contractor against the goals stated in the Performance Statement and the milestones listed in the Project Implementation Schedule. The Department reserves the right to perform periodic on-site monitoring of Contractor's compliance with the terms and conditions of this contract, and of the adequacy and timeliness of Contractor's performance under this contract. After each monitoring visit, the Department shall provide Contractor with a written report of the monitor's findings. If the monitoring reports note deficiencies in Contractor's performance under the terms of this contract, the monitoring report shall include requirements for the timely correction of such deficiencies by Contractor. Failure by Contractor to take action specified in the monitoring report may be cause for suspension or termination of this contract, as provided in Section 6 of this contract, or the Department may withhold other grant awards.

B. As stipulated in Section 4.B. of this contract, if the contract ends without any project beneficiaries resulting from the use of contract funds, Contractor shall reimburse to the Department all contract funds disbursed to Contractor, including but not limited to funds disbursed for administration and engineering services. Contractor shall be required to repay the funds within the timeframe specified by the Department.

SECTION 9. SUBCONTRACTS

A. Except for subcontracts to which the federal labor standards requirements apply, Contractor may subcontract for performances described in this contract without obtaining the Department's prior written approval. Contractor shall only subcontract for work to which the federal labor standards requirements apply after Contractor has verified the subcontractor's eligibility under the federal System for Award Management and has followed the subcontracting requirements in the TXCDBG Project Implementation Manual. Contractor, in subcontracting for any performances described in this contract, expressly understands that in entering into such subcontracts, the Department is in no way liable to the subcontractor(s).

B. Selection Process

1. Contractor shall insure that all subcontracts are awarded as a result of fair and open competition in accordance with applicable procurement requirements.

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2. Documentation concerning the selection process, including evidence of competitive procurement as specified in the TXCDBG Project Implementation Manual, must be submitted to the Department prior to drawdown of funds relating to the appropriate subcontract.

3. Executed copies of all subcontracts shall be forwarded to the Department upon request.

C. Contractor shall ensure that the applicable prevailing wage rate is included in the advertising and solicitation of bids in accordance with the TXCDBG Project Implementation Manual.

D. **Monitoring.** Contractor shall monitor all subcontracted services on a regular basis to ensure contract compliance. In no event shall any provision of this Section be construed as relieving Contractor of the responsibility for ensuring that all subcontracts comply with all terms of this contract, as if performed by Contractor. The Department's approval under this Section does not constitute adoption, ratification, or acceptance of Contractor's or subcontractor's performance. The Department maintains the right to insist upon Contractor's full compliance with the terms of this contract, and by the act of approval under this Section, the Department does not waive any right of action which may exist or which may subsequently accrue to the Department under this contract.

E. **Consent.** Contractor shall insert appropriate clauses in all subcontracts to bind subcontractors to the terms and conditions of this contract insofar as they are applicable to the work of subcontractors.

F. **Bonding.** Contractor shall comply with the bonding requirements of Chapter 2253 of the Texas Government Code and 2 CFR 200.325, as applicable.

G. Contractor shall retain five percent (5%) of each construction or rehabilitation subcontract entered into by Contractor until the Department determines that the Federal labor standards requirements applicable to each such subcontract have been satisfied.

SECTION 10. LEGAL AUTHORITY

A. Contractor assumes and guarantees that Contractor possesses the legal authority to enter into this contract, receive funds authorized by this contract, and perform the services it has obligated itself to perform.

B. The person or persons signing and executing this contract on behalf of Contractor hereby warrant and guarantee that he, she or they have been duly authorized by Contractor to execute this contract and have authority to validly and legally bind the Contractor to all terms, performances, and provisions set forth herein.

C. The Department shall have the right to suspend or terminate this contract if there is a dispute as to the legal authority of either Contractor, the person signing this contract, or the party rendering services under the contract. Contractor is liable to the Department for any money it has received from the Department pursuant to this contract, if the Department has suspended or terminated this contract for reasons stated in this Section.

SECTION 11. LITIGATION AND CLAIMS

Contractor shall give the Department immediate notice in writing of (1) any action, including any proceeding before an administrative agency, filed against Contractor arising out of the performance of any subcontract, and (2) any claim against Contractor, the cost and expense of which Contractor may be entitled to be reimbursed by the Department. Except as otherwise directed by the Department, Contractor shall furnish immediately to the Department copies of all pertinent papers received by Contractor with respect to such action or claim. Contractor shall provide a notice to the Department within 30 days upon filing under any bankruptcy or financial insolvency provision of law.

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SECTION 12. AUDIT

- A. Audits shall be conducted in accordance with applicable federal, state and local laws, policies and regulations, including 24 CFR Part 200 Subpart F, "Audit Requirements," and the audit requirements set forth in the TxCDBG Project Implementation Manual.
- B. **Audit Certification.** Within 60 days after the end of each fiscal year in which Contractor has an open contract with the Department, Contractor shall submit an Audit Certification Form (ACF) in accordance with the requirements of the current TxCDBG Project Implementation Manual. Failure by Contractor to submit a complete ACF by the required due date will adversely affect funding for all existing contracts, eligibility to apply for assistance under the TxCDBG Program, and the issuance of new contracts for funding awards.
- C. **Single Audit Report.** If Contractor expends \$750,000 or more in Federal awards, including TxCDBG funds or other Federal financial assistance received indirectly from pass-through entities, during a fiscal year, Contractor shall be responsible for obtaining an audit in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and other applicable federal regulations. The audit shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits.

- 1. Contractor shall submit required audit documentation (single audit package), as specified in the TxCDBG Project Implementation Manual, to the Department within 30 days after completion of the audit, but no later than nine (9) months after the end of the audit period (i.e., after Contractor's fiscal year end).
- 2. Contractor shall ensure that the audit report is made available for public inspection within 30 days after completion of the audit.
- 3. Failure by Contractor to submit a completed single audit package as described in the audit requirements by the required due date will adversely affect funding for all existing contracts, eligibility to apply for assistance under the TxCDBG Program, and the issuance of new contracts for funding awards.
- D. Contractor shall take such action to facilitate the performance of such audit or audits conducted pursuant to this Section and Section 7 as the Department may require of Contractor. Contractor shall establish written standard operating procedures and internal controls to include the timely procurement of a CPA firm to start and complete the year end single audit report if applicable, in order to comply with contractual and regulatory requirements. The Department shall not release any funds for any costs incurred by Contractor under this contract until the Department has received a copy of any audit report required by this Section.

SECTION 13. ENVIRONMENTAL REVIEW REQUIREMENTS

- A. Contractor understands and agrees that it is responsible for environmental review, decision-making, and action under 42 U.S.C. 5304(g), the National Environmental Policy Act of 1969 (NEPA) [42 U.S.C. 4321 et seq.], and other provisions of law which further the purposes of NEPA, as specified in 24 CFR 58.5. Contractor shall comply with the environmental review procedures set forth in 24 CFR Part 58, the TxCDBG Project Implementation Manual, and all other applicable federal, state, and local laws insofar as they apply to the performance of this contract. Contractor must certify that it has complied with the requirements that would apply under the laws and authorities cited in 24 CFR 58.5 and must consider the criteria, standards, policies and regulations of these laws and authorities. In addition, Contractor must comply with the requirements specified in 24 CFR 58.6.
- Contractor shall be responsible for complying with all applicable requirements, for issuing public notifications; for submitting a request for release of funds and related certifications, when required; and for ensuring the Environmental Review Record is complete.

B. Limitations on Activities Pending Clearance

- 1. Neither Contractor nor any participant in the development process, or any of their contractors, may commit TxCDBG funds on an activity or project, or execute a legally binding agreement for property acquisition, rehabilitation, conversion, repair or construction pertaining to a specific site, until Contractor has completed the 24 CFR Part 58 environmental review process and the Department has authorized use of grant funds or approved the Contractor's request for release of funds and related certification. In addition, until Contractor's request for release of funds and related certification have been approved, neither the Contractor nor any participant in the development process may commit non-TxCDBG funds on or undertake an activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.
- 2. If an activity is exempt under 24 CFR 58.34, or is categorically excluded (except in extraordinary circumstances) under 24 CFR 58.34(b), a request for release of funds is not required but Contractor must document its determination as required in 24 CFR 58.34(f) and 58.35(g). Contractor shall comply with the requirements and procedures in the current TxCDBG Project Implementation Manual, and shall submit to the Department a Determination of Exemption or Determination of Categorical Exclusion, as applicable, and other required environmental compliance documentation as specified in the Implementation Manual. Contractor shall also comply with other applicable requirements, as specified in 24 CFR 58.6, regardless of whether the activity is exempt under 24 CFR 58.34 or categorically excluded under 24 CFR 58.35(b).
- C. In accordance with 24 CFR 58.77(f), Contractor shall handle inquiries and complaints from persons and agencies seeking redress in relation to environmental reviews covered by approved certifications.

SECTION 14. CITIZEN PARTICIPATION REQUIREMENTS

- A. Contractor shall provide for and encourage citizen participation, particularly by low and moderate income persons who reside in urban or blighted areas and areas in which the funds provided under this contract are used, in accordance with 24 CFR 570.486 and this contract.
- B. Contractor shall hold a public hearing concerning any activities proposed to be added, deleted, or substantially changed, as determined by the Department, from the activities specified in the Application or the Performance Statement.
- C. Prior to the programmatic closure of this contract, Contractor shall hold a public hearing to review its performance under this contract.
- D. For each public hearing scheduled and conducted by Contractor under this Section, Contractor shall comply with the hearing requirements specified in the TxCDBG Project Implementation Manual.
- E. Notwithstanding the provisions of Section 7 of this contract, Contractor shall retain documentation of public hearing notices, a list of the attendees at each hearing, and minutes of each hearing held in accordance with this section for a period of three (3) years after the termination of this contract. Contractor shall make such records available to the public in accordance with Texas Government Code, Chapter 552.
- F. **Complaint Procedures.** Contractor shall maintain written citizen complaint procedures that provide a timely written response to complaints and grievances. Such procedures shall comply with the Department's requirements. Contractor shall ensure that its citizens are aware of the location and hours at which they may obtain a copy of the written procedures and the address and phone number for submitting complaints.

SECTION 15. DEBARMENT

By signing this contract, Contractor certifies that it is not debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 2424. Contractor is required to immediately report to the Department if it is debarred, suspended or otherwise excluded

from or ineligible for participation in federal assistance programs. Additionally, Contractor certifies that it will not award any funds provided under this contract to any party which is debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs. Contractor shall verify the eligibility status of each proposed subcontractor under this contract and its principals and retain documentation in the local files.

SECTION 16. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights and Anti-discrimination

1. Contractor agrees to ensure that no person shall on the grounds of race, color, national origin, religion, sex, age, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity assisted in whole or in part with TxCDBG funds.
2. Contractor agrees to comply with all federal, state and local civil rights laws and ordinances, including but not limited to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*), as amended; the Fair Housing Act (42 U.S.C. 3601 *et seq.*), as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b) and 24 CFR Part 6, respectively), as amended; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*); the Architectural Barriers Act of 1968 (42 U.S.C. 4151 *et seq.*); the Age Discrimination Act of 1975 (42 U.S.C. 6101 *et seq.*); and Executive Order 11063 (Equal Opportunity in Housing), as amended by Executive Order 12259.
3. Contractor agrees to comply with the non-discrimination laws, regulations, and executive orders referenced in 24 CFR 570.607 in employment and contracting opportunities.
4. Contractor shall include the terms and conditions of this civil rights clause in every subcontract or purchase order so that these terms and conditions will be binding upon each subcontractor or vendor.

B. Employment Restrictions

1. **Prohibited Activity.** Contractor agrees that no funds provided, nor personnel employed, under this contract shall be used for: political activities or to further the election or defeat of any candidate for public office; lobbying; inherently religious activities; political patronage; and nepotism activities.
2. **Labor Standards**
 - a. Contractor agrees to comply with the requirements of the U.S. Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 3141 *et seq.*) as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 *et seq.*), and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract.
 - b. Contractor agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*; 40 U.S.C. 3145) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 3. Contractor shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request.
 - c. Contractor agrees that, except with respect to the rehabilitation of residential property containing less than eight (8) units, all subcontractors engaged under contracts in excess of \$2,000 for construction, alteration or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Department pertaining to such contracts and with the applicable requirements of the regulations of the U.S. Department of Labor, under 29 CFR Parts 1, 3, and 5 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve Contractor of its obligation, if any, to require payment of the higher wage.

Contractor shall cease or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

- a. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). Section 3 requires that, to the greatest extent feasible, opportunities for training, employment, contracting and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3 be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- b. The parties to this contract will comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- c. Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preferences, set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- d. Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. Contractor will not subcontract with any entity where Contractor has notice or knowledge that the entity has been found in violation of the regulations in 24 CFR Part 135.
- e. Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the Regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent Contractor's obligations under 24 CFR Part 135.
- f. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

C. Confilict of Interest. Contractor agrees to abide by the provisions of Chapter 171, Texas Local Government Code, 2 CFR 200.318-200.319, and 24 CFR 570.489, which include but are not limited to the following:

1. Contractor shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by TxCDBG funds.
2. No employee, officer or agent of Contractor shall participate in the selection, or in the award, or administration of, a contract supported by TxCDBG funds if a conflict of interest, real or apparent, would be involved.
3. No covered persons who exercise or have exercised any functions or responsibilities with respect to TxCDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the TxCDBG-assisted activity, or with respect to the proceeds from the TxCDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this

paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Department, the Contractor, or any designated public agency.

4. Contractor shall include in all subcontracts any necessary provisions to eliminate or neutralize conflicts of interest.

D. Lobbying

1. No funds provided under this contract shall be used to pay any person to communicate with (a) a member of the legislative or executive branch of state government, as defined in Chapter 305 of the Texas Government Code, which includes a member-elect, officer or employee of the legislature or a legislative committee, and officer or employee of any state agency, department or office in the executive branch; (b) a Member of Congress; or (c) an officer or employee of Congress or a federal agency, to influence legislation or administrative action.

2. The following activities are exempted from the coverage of paragraph 1: technical and factual presentations on topics directly related to the performance of this contract in response to a documented request made by the Department.

SECTION 17. FRAUD, ABUSE, AND MISMANAGEMENT

Contractor must take steps, as directed by the Department, to avoid or mitigate occurrences of fraud, abuse, and mismanagement especially with respect to the financial management of this contract and procurements made under this contract. Upon the discovery of such alleged or suspected fraud or any incident of misapplication of TACDSO funds associated with this contract, Contractor shall immediately notify the Department and appropriate law enforcement authorities, if necessary, of the theft of any assets provided for under this contract, malfeasance, abuse of power or authority, kickbacks, or the embezzlement or loss of any funds under this contract.

SECTION 18. EFFECTIVE DATE

This contract is not effective unless signed by the Commissioner of the Department or by his authorized designee.

SECTION 19. WAIVER

Any right or remedy provided for in this contract shall not preclude the exercise of any other right or remedy under this contract or under any provision of law, nor shall any action taken by the Department in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. The Department's failure to act with respect to a breach by Contractor does not waive its right to act with respect to subsequent or similar breaches. The failure of the Department to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

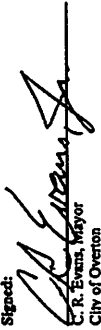
SECTION 20. ORAL AND WRITTEN AGREEMENTS

A. All oral and written agreements between the parties to this contract relating to the subject matter of this contract that were made prior to the execution of this contract have been reduced to writing and are contained in this contract.
B. The attachments specified in Section 4.A. above are hereby made a part of this contract and constitute promised performances by Contractor in accordance with Section 4 of this contract.

SECTION 21. VENUE

For purposes of litigation pursuant to this contract, venue shall lie in Travis County, Texas.

Signed:


C. R. Ewan, Mayor
City of Overton

11/21/2017
Date

Approved and accepted on behalf of the Texas Department of Agriculture.

Jason Farnsworth, Deputy Commissioner
Texas Department of Agriculture
Date

**EXHIBIT A
PERFORMANCE STATEMENT
CITY OF OVERTON**

All activities funded with TxCDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight, or meet community development needs having a particular urgency.

Contractor shall carry out the following activities in the target area identified in the Application. The Contractor shall ensure that the amount of funds expended for each activity described does not exceed the amount specified for such activity in the Budget.

CURRENT NEED

The City of Overton has streets that are aged and deteriorated, resulting in a potential threat to public safety and limited access. Additionally, residents in the area do not adequate fire protection.

The Contractor certifies that the activity (ies) carried out under this contract will meet the National Objective of benefiting LMI persons with at least 51% of the beneficiaries qualifying as LMI.

ACTIVITIES

Street Improvements Contractor shall reconstruct streets to remove a potential threat to public safety and to improve access. Contractor shall reconstruct the street utilizing cement stabilized base and asphalt surface, transition paving, and all associated appurtenances. Construction shall take place in the following locations:

STREET	FROM	TO
Rusk Street	South Street	Short Street
Short Street	Commerce Street	Lamar Street
Lamar Street	Short Street	Brandon Street
Brandon Street	Commerce Street	Helen Street
S. Arcola Street	Mundy Street	Brandon Street
Mundy Street	Commerce Street	Lamar Street

These activities shall benefit seventy-three (73) persons, of which sixty-two (62) or eighty-five percent (85%) are of low- to moderate-income.

Water Improvements Contractor shall make improvements to provide adequate fire protection. Contractor shall install approximately three (3) hydrants, and all associated appurtenances. Construction shall take place in the following locations:

STREET	FROM	TO
Rusk Street	South Street	Short Street
Short Street	Commerce Street	Lamar Street
Lamar Street	Short Street	Brandon Street
Brandon Street	Commerce Street	Helen Street
S. Arcola Street	Mundy Street	Brandon Street
Mundy Street	Commerce Street	Lamar Street

These activities shall benefit seventy-three (73) persons, of which sixty-two (62) or eighty-five percent (85%) are of

low- to moderate-income.

Engineering

Contractor shall ensure that the amount of Department funds expended for all eligible project-related engineering services, including preliminary and final design plans and specifications, all interim and final inspections, and all special services does not exceed the amount specified for engineering in the Budget.

General Administration

Contractor shall ensure that the amount of Department funds expended for all eligible project-related administration activities, including the required annual program compliance and fiscal audit does not exceed the amount specified for administration in the Budget.

**EXHIBIT B
BUDGET
CITY OF OVERTON**

Project Activities	Committed Funds	Other Funds	Total Funds
03L_W Water Improvements - Total	\$0	\$10,500	\$10,500
Water Improvements-Construction	\$0	\$10,500'	\$10,500
Water Improvements-Engineering	\$0	\$0	\$0
03K Street Improvements - Total	\$271,400	\$9,500	\$280,900
Street Improvements-Construction	\$239,400	\$4,500'	\$243,900
Street Improvements-Engineering	\$32,000	\$5,000'	\$37,000
21A General Program Administration - Total	\$3,600	\$30,000'	\$33,600
TOTALS	\$275,000	\$50,000	\$325,000

Source of Other Funds:
1 - City of Overton, Overton Municipal Development District

**EXHIBIT C
PROJECT IMPLEMENTATION SCHEDULE
CITY OF OVERTON**

CONTRACT START DATE
December 1, 2017

CONTRACT END DATE
November 30, 2019

If Contractor fails to meet milestones in accordance with this schedule, the Department will withhold payments to Contractor until such milestone has been completed.

Activity To Be Completed by Date Specified:	Milestone Date
Procurement of Professional Services Completed	Month 2 2/1/2018
4-Month Conference Call / Meeting Completed ⁽¹⁾	Month 4 4/1/2018
Plans and Specifications Completed	Month 6 6/1/2018
Plans and Specifications Submitted for Approval (as required)	Month 6 6/1/2018
Environmental Review Completed	Month 6 6/1/2018
Clearance of Pre-Construction Special Conditions	Month 8 8/1/2018
Wage Rate 10-Day Confirmation	Month 8 8/1/2018
Construction Contract Awarded & Executed	Month 9 9/1/2018
Construction - 50% TXCDBG project complete	Month 14 2/1/2019
Construction - 75% TXCDBG project complete	Month 17 5/1/2019
Construction - 90% TXCDBG project complete	Month 19 7/1/2019
Construction & Final Inspections Completed	Month 20 8/1/2019
End Date of Contract	Month 24 11/30/2019
Close-out documents submitted to Department (60 days after End Date)	Month 26 1/29/2020

⁽¹⁾ See TXCDBG Project Implementation Manual

EXHIBIT D**COMMUNITY DEVELOPMENT FUND****SPECIAL CONDITIONS****CITY OF OVERTON****A. Special Conditions for Release of Construction Funds**

Funds for construction activities under this contract will not be released to Contractor by the Department until the following special conditions for release of funds are met. These special conditions must be satisfactorily completed no later than twelve (12) months after the contract start date. In accordance with Section 6 of the contract, the Department may terminate this contract twelve (12) months after the commencement date specified in Section 2 if these special conditions are not met by such date. Contractor shall submit to the Department:

1. Documentation evidencing Contractor's completion of its responsibilities for environmental review and decision-making pertaining to the project as required by Section 13 (Environmental Review) of this contract, and its compliance with NEPA and other provisions of law as specified in 24 CFR 58.5.
2. Certification that Contractor has received all required pre-construction permits or approvals from the appropriate federal, state, or local entity or regulatory agency prior to beginning construction activities under this contract.
3. Other documentation required by the Department for release of construction funds as specified in Chapter 2 of the TxCDBG Project Implementation Manual.

EXHIBIT E**APPLICABLE LAWS AND REGULATIONS**

Contractor shall comply with the HCD Act; laws and regulations specified in this contract; and with all other federal, state, and local laws and regulations insofar as they apply to the performance of this contract, including but not limited to the laws and regulations specified in this Exhibit.

I. LEAD-BASED PAINT

Any construction or rehabilitation of residential structures with assistance provided under this contract shall be subject to the Lead-Based Paint laws cited in 24 CFR 570.608, and implementing regulations at 24 CFR Part 35.

II. ENVIRONMENTAL LAW AND AUTHORITIES

A. Council on Environmental Quality regulations contained in 40 CFR parts 1500 through 1508

B. Historic Properties

- National Historic Preservation Act of 1966, as amended (54 U.S.C. 300101 *et seq.*)
- Executive Order 11593, Protection and Enhancement of the Cultural Environment
- Federal historic preservation regulations at 36 CFR part 800
- Reservoir Salvage Act of 1960 as amended by the Archeological and Historic Preservation Act of 1974 (54 U.S.C. 312501-312508), as amended

C. Floodplain management and wetland protection - Executive Order 11988, Floodplain Management; Executive Order 11990, Protection of Wetlands; and HUD regulations at 24 CFR part 55

D. Coastal Zone Management Act of 1972 (16 U.S.C. 1451 *et seq.*), as amended

E. Water systems

- Safe Drinking Water Act of 1974 (42 U.S.C. 300f *et seq.*) as amended
- Sole Source Aquifers (Environmental Protection Agency - 40 CFR part 149)
- F. Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*) as amended
- G. Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*) as amended
- H. Air quality
 - Clean Air Act (42 U.S.C. 7401 *et seq.*) as amended
 - Determining Conformity of General Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency - 40 CFR parts 6, 51, and 93)

I. Farmland Protection Policy Act of 1981 (7 U.S.C. 4201 *et seq.*), and implementing regulations at 7 CFR part 658

J. HUD environmental criteria and standards at 24 CFR part 51

K. Executive Order 12898, Environmental Justice in Minority Populations and Low-Income Populations

III. ACQUISITION/RELOCATION

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4601 *et seq.*, and HUD regulations at 24 CFR Part 42 and 24 CFR 570.606

IV. FAITH-BASED ACTIVITIES

Executive Order 13279, Equal Protection of the Laws for Faith-Based and Community Organizations, as amended by Executive Order 13559, Fundamental Principles and Policymaking Criteria for Partnerships with Faith-Based and Other Neighborhood Organizations, and HUD regulations at 24 CFR 570.200(j)

V. OTHER UNIFORM ADMINISTRATIVE REQUIREMENTS

A. English Language - 2 CFR 200.111

B. Mandatory Disclosures - 2 CFR 200.113

**EXHIBIT F
CERTIFICATIONS**

NOTE: Certain of these certifications and assurances may not be applicable to Contractor's project or program.

As the duly authorized representative of the City of Overton, I certify that:

Affirmatively Further Fair Housing – It will comply with the Fair Housing Act (42 U.S.C. 3601 *et seq.*), as amended, and HUD's implementing regulations at 24 CFR Part 100; and it will affirmatively further fair housing, as specified by the Department.

Anti-discrimination Laws – It will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 20006 *et seq.*) and HUD's implementing regulations at 24 CFR Part 1; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and HUD's implementing regulations at 24 CFR Part 8; and the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107), as amended, and HUD's implementing regulations at 24 CFR Part 146.

Anti-displacement and Relocation Plan – It will minimize displacement of persons as a result of activities assisted with TXCDBG funds; it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR Part 24 and 24 CFR 42 Subpart A; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with TXCDBG funding.

Anti-Lobbying – To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-L.L.L., "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this anti-lobbying certification be included in the award documents for all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Citizen Participation – It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 and the Department.

Environmental Review – It will comply with environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) and related Federal authorities prior to the commitment or expenditure of funds for property acquisition and physical development activities subject to implementing regulations at 24 CFR Parts 50 or 58.

Excessive Force – It has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations, and a


policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Lead-Based Paint – Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35.

Section 3 – It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Use of Funds (Special Assessments) – It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) such funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from other revenue sources; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the jurisdiction certifies that it lacks sufficient CDBG funds to comply with the requirements of subclause (A).

Compliance with Laws – It will comply with applicable laws.


 Signature/Authorized Official
 M. J. Moore
 Title
 Date 11-21-2017

These certifications are material representations of fact upon which the Department can rely when entering into and executing this contract. If it is later determined that the City of Overton knowingly made an erroneous certification, it may be subject to criminal prosecution. The Department may also terminate the award and take other available remedies.